



## FISCAL UPDATE News Article

*Fiscal Services Division*

**June 30, 2016**



---

### UNIVERSITY OF IOWA — LEASE PURCHASE

The Legislative Services Agency (LSA) received a lease purchase notification for the University of Iowa on June 22, 2016, for the purchase and installation of an indoor banked track and infrastructure improvements to facilitate to the installation. This project will replace an existing track located in the Recreation Building and will be used by the University of Iowa intercollegiate track teams for indoor practice and competitions. The estimated cost is \$3.4 million, including \$3.2 million in principal and \$213,000 in interest. The agreement will be for a period of five years at an interest rate of 2.55%. The annual debt service payments are estimated to total \$683,000 and will be funded from the University's athletic revenues.

Iowa Code section [8.46](#) requires state agencies proposing to enter into a lease purchase agreement of at least \$50,000 to notify the LSA at least 30 days prior to entering into a contract. The Iowa Code section also requires the LSA to submit all notifications to the Legislative Fiscal Committee.

**STAFF CONTACT:** Dave Reynolds (515-281-6934) [dave.reynolds@legis.iowa.gov](mailto:dave.reynolds@legis.iowa.gov)